1 that the fact that it was --Well, no. I am 2 MS. BERGOLD: 3 asking you questions. And I am agreeing 4 MR. CARROLL: with your question or what is embedded in it. 5 6 The fact that it might cost you money to comply with the law is not an excuse 7 not to comply with the law. However, if I 8 9 gave you a different hypothetical and said 10 supposing the reason for a disparity in pay has to do with the fact that the man, one man 11 was on the job for 20 years longer than the 12 13 I would ask you back, now is that discrimination? And I think the Supreme Court 14 and other people would say no because now what 15 16 you are telling me is sex wasn't the reason 17 for the price difference, longevity on service And that is our case. 18 was. 19 preceded them by decade, Golf and Versus. The market has 20 21 completely accepted Golf and Versus. They argue well that is ripple 22 Completely.

1	effect. It is funny how ripple effect gets
2	thrown around here. That is kind of like
3	their fallback when they don't have another
4	answer. They say, oh that is the ripple
5	effect. That is Comcast. They are just too
6	big, it must be. They made a splash.
7	MS. BERGOLD: When you say the
8	seniority case, the rationale for paying an
9	employee who has more seniority more money is
10	that they are more experienced.
11	MR. CARROLL: Yes.
12	MS. BERGOLD: And in
13	MR. CARROLL: Well also
14	MS. BERGOLD: Are you saying that
15	Golf and Versus have better treatment because
16	they are more experienced companies and that
17	Tennis Channel is a startup?
18	MR. CARROLL: In part, in this
19	respect, and it is one of the key differences
20	between the two. And Mr. Rigdon spoke to this
21	when he was on the stand about the incident
22	

effort he made to take down Golf Channel and 1 Versus Channel from the broad distribution and 2 it closed down their switchboard. They had 3 4 over 100,000 calls. We have had almost no calls in all 5 the time Tennis Channel has been where it is. 6 The record will show we have lost no business 7 to DirecTV and Dish after they did their 8 9 equity for carriage deals. MS. BERGOLD: Did Comcast ever 10 11 make an analysis of what would happen if it put Golf and Versus on the sports channel? I 12 13 mean --14 MR. CARROLL: Ιf mean you 15 spreadsheet --MS. BERGOLD: -- did Comcast ever 16 I know that Charter there is 17 consider? 18 evidence that Mr. Rigdon had of a lot of calls but when Comcast decided to retain Golf and 19 Versus on broadly distributed tiers when their 20 contracts were up, did they consider what 21 22 would happen if they changed the level of

1	coverage?
2	MR. CARROLL: I think the
3	testimony by Mr. Bond on this, I don't have
4	the page to cite you, is to the effect,
5	because again, it should always be on the
6	record in my view, not what I think
7	MS. BERGOLD: Right. Right.
8	Sure. No, that is what I am I mean was
9	this a consideration that Comcast
10	MR. CARROLL: My memory is that
11	Mr. Bond said no, not really and gave a
12	reason. He said once a channel is well-
13	established, we hardly ever think of taking it
14	down because it runs the risk of irritating
15	some group of consumers who has become
16	attached to that program. I will give you an
17	example.
18	Supposing we like to talk about
19	bull riding on Versus, for example, bull
20	riding and some of the more violent
21	activities.

JUDGE

SIPPEL: Isn't

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cage

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1	fighting?
2	MR. CARROLL: Cage fighting.
3	There we go, another one. How that is similar
4	to tennis escapes me but I won't get
5	distracted with that.
6	If those were not already widely
7	distributed, maybe you wouldn't have the
8	following that apparently exists for that
9	network now to follow that. And the Nielson
10	ratings support this, by the way.
11	And by the way, this is all
12	related to answering your question. There is
13	evidence we have put in the record about the
14	Nielson ratings being higher for these
15	programs. And you know, it is very important.
16	The Enforcement Bureau says in their brief
17	that there is no evidence we put on the
18	Nielson ratings issue and that is
19	MS. BERGOLD: Do they take into
20	account the differing coverage?
21	MR. CARROLL: Nielson actually
22	does it right. These are Nielson local

ratings and I will get you the exhibit cite 1 for the Nielson. 2 MS. BERGOLD: Right. 3 But at any rate, if MR. CARROLL: 4 Versus wasn't already out there at a broad 5 distribution, maybe you wouldn't have people 6 clamoring saying, hey, put some bull riding on In other words, before the networks. Right? 8 9 it is out there, there is maybe less noise you are going to hear from the marketplace. 10 But 11 have when you got 12 marketplace that has been seeing something for 13 ten years, it creates its own following. once that following is created, what you risk 14 doing is antagonizing a part of your consumer 15 base that has come to like it and enjoy it. 16 And Mr. Bond explained that. 17 he explained that for that reason, you seldom 18 ever see, at least at Comcast, for one of 19 their networks or a different network, than do 20 that to somebody who is well established. 21 But Comcast does 22 MS. BERGOLD:

1 negatively reposition channels. It did it with the NFL. 2 MR. CARROLL: Well, with the NFL, 3 it had a contractual right to do something if 4 the NFL didn't deliver on its side of the 5 6 contract. MS. BERGOLD: Yes, well I mean, I 7 8 presume that Comcast would not negatively channel unless it had 9 reposition a 10 contractual right. But why would Comcast ever 11 negatively reposition a channel? I remember. That 12 MR. CARROLL: 13 was new programming, though, remember. That was the NFL created it brand new. 14 They 15 created that eight package of games. Up until then, they had no live programming. 16 17 NFL wasn't an NFL games programming. happened was the NFL announced, here are the 18 They were not already out there 19

broadly distributed. And my client said, if

you are going to do that with these games,

under the rights we have under the contract,

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we are going to put it on the sports tier, initially. That would have been an initial move. That wasn't a, after ten years of being somewhere, let's take them down.

Now, I will also say, as this Court well knows, we litigated the NFL case two years, I think it was. And our position then was it is basically all about price. And essentially, it got resolved, as the Court knows, there was no opinion required. We are all dying to know what it is you were writing that you have forgotten since then, Your Honor, that you teased us with. But my point is it was all about price.

This case is also all about price.

And Mr. Solomon fought, fought it, fought it during my cross-examination of him but it is all over the record and it was amazing when I went back through and read the record. I mean, there is pieces of this if I have time, I would like us to refresh on and call to your attention in that regard. It is all about

1 || price.

Now, he knows it is all about price and they know it is all about price because remember I started to tell you about those two independent networks within four months, the Sportsman Channel and Outdoor Network? There was a snippet of testimony with Mr. Solomon in which I pointed to -- He has a document, an email in which he is conferring with one of his colleagues. This is the one with the four dollar signs, where his answer was four dollar signs. You may remember that. I will give you the cite.

MS. BERGOLD: Yes. Now, I do remember.

MR. CARROLL: And what happened was -- The transcript is at page 477 and forward. And the exhibit number for it that I was asking him about was Exhibit 707.

This was an exchange in October of '09. And his CFO, who is Bill Simon, by the way -- The Enforcement Bureau misnamed the CFO

in its brief. They called him the advertising head, the CFO in their brief. The CFO of Tennis Channel is Mr. Simon. Mr. Simon in October of 2009 wrote to Mr. Solomon and said Comcast agreed to move the Sportsmen Channel to a more widely distributed tier, digital preferred, in markets including Minneapolis/St. Paul, Minnesota, Savannah, Georgia, and three cities in New Mexico. Mr. Solomon wrote back right away: "Yup, \$\$\$\$." And then Mr. Simon wrote back

and say, yes, the same with Outdoor Channel.

And you may remember at 477 forward in the transcript, I pursued Mr. Solomon on this and I said what about this. These are independent channels and they just got more distribution than you. And this is exactly the deal that, remember, Mr. Bond testified he offered Mr. Solomon at the meeting, at the phone call in June of 2009, just three months earlier. He said, look, I am not going to give it to you nationwide but

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1 I will talk about finding regions in the 2 country for you and working to give you broader distribution. 3 We know from this evidence, and 4 5 this is why I love record evidence, this 6 evidence proves beyond any doubt that Mr. Bond was truthful in his presentation to 7 Solomon when he said he was willing to do this 8 other independent 9 because here are two networks he did it for three months later. 10 And Mr. Solomon, you may remember, 11 12 I asked him, what do you those dollars signs mean. What did you mean, "Yup, \$\$\$?" And all 13 14 he could say was, I don't know. I don't know. It was the end of the 15 I don't remember. 16 night. 17 MS. BERGOLD: But --Now we know what 18 MR. CARROLL: this means. We know sure as can be, everybody 19 20 in this room, including Mr. Solomon's counsel, 21 knows what this means. This means they cut a 22 deal that didn't cost Comcast to give them the

broader carriage. That is the very thing Mr. 1 Bond was telling Mr. Solomon he needed to do 2 3 to get broader distribution and it remains the 4 case today. 5 MS. BERGOLD: Let's say, for example, that Mr. Solomon agreed with Mr. Bond 6 and there was a deal cut. 7 And there was 8 broader coverage a certain, let's say ten 9 percent, of Comcast's systems now took the Tennis Channel off of the sports channel and 10 put it on a highly distributed tier. Wouldn't 11 12 there still be disparate treatment? 13 I mean, how does that relate to 14 the discrimination? 15 MR. CARROLL: There wouldn't be I think there is disparate 16 discrimination. treatment all over the country every day. 17 If Golf and Versus MS. BERGOLD: 18 has a 100 percent broadly distributed tier and 19 Comcast is willing to negotiate a 20 percent 20 21 broadly distributed tier, there is certainly 22 disparate treatment there. Isn't there?

1	MR. CARROLL: But it is not
2	discrimination because it is not based on
3	affiliation. The disparate treatment reflects
4	the market.
5	Here would be my response to that.
6	And this is an amazing fact to me, just
7	amazing, and we lose sight of it in this case.
8	My client was the second or third MVPD to give
9	them any distribution back in 2005. DirecTV
10	and Dish said no to them for years, until they
11	gave them a third of their ownership interest.
12	In 2009
13	MS. BERGOLD: Well is that fair,
14	Mr. Carroll to say? Because I mean DirecTV
15	and Dish are separate companies and one is
16	I mean, that is sort of a combined.
17	MR. CARROLL: You are quite fair.
18	I was accumulating the interest in terms of
19	their total amount. They gave one of the
20	entities
21	MS. BERGOLD: But it is two
22	different companies. So you really shouldn't
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MR. CARROLL: Well only in terms of how much they were willing to spend of their equity in order to buy the distribution they bought from those two entities. That is my only point. My point was not that Dish and DirecTV are necessarily conspiring together. I grant you that. Not at all.

But my client, the so-called discriminator, was one of the first ones to give them carriage. They do it under a sports tier deal and Mr. Schmidt keeps rephrasing what that deal was. Look very carefully at the record. It was not a promise to melt you to a better level later on. Not at all. We had no obligation for any carriage level and the only model at the time was sports tier. And Mr. Solomon, it is in the record in one of my questions, said it was a sports tier deal.

MS. BERGOLD: Well I understand your argument that it was equity for carriage.

My question is sort of there is record

1	evidence that Golf and Versus, when they first
2	launched, gave launched support.
3	MR. CARROLL: Oh, yes.
4	MS. BERGOLD: Tennis Channel, I
5	understand, gave free air time
6	MR. CARROLL: For a while.
7	MS. BERGOLD: for a while. It
8	seems that because distribution is a very
9	valuable commodity, the cable networks tend to
10	give compensation to the cable company in
11	order to get carriage or distribution.
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12	MR. CARROLL: Very true.
12 13	MR. CARROLL: Very true. MS. BERGOLD: Comcast is a very
13	MS. BERGOLD: Comcast is a very
13 14	MS. BERGOLD: Comcast is a very wealthy company. It can certainly afford,
13 14 15	MS. BERGOLD: Comcast is a very wealthy company. It can certainly afford, when it launched Golf and Versus to pay launch
13 14 15 16	MS. BERGOLD: Comcast is a very wealthy company. It can certainly afford, when it launched Golf and Versus to pay launch support, monetary compensation. Other
13 14 15 16 17	MS. BERGOLD: Comcast is a very wealthy company. It can certainly afford, when it launched Golf and Versus to pay launch support, monetary compensation. Other networks may give equity or may give free
13 14 15 16 17 18	MS. BERGOLD: Comcast is a very wealthy company. It can certainly afford, when it launched Golf and Versus to pay launch support, monetary compensation. Other networks may give equity or may give free time. Conceptually, how is that different?
13 14 15 16 17 18	MS. BERGOLD: Comcast is a very wealthy company. It can certainly afford, when it launched Golf and Versus to pay launch support, monetary compensation. Other networks may give equity or may give free time. Conceptually, how is that different? I mean, you are making a big deal.

difference?

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MR. CARROLL: In terms of the --It has some things in common and some things different. Τ think that the that are differences are among the following. Depending on the equity, it may not be worth what the -it may not eliminate your cost for greater distribution. The equity play, where somebody takes equity, requires you basically to become a long-term investor in them, in order to recoup what you are spending for the greater distribution up front. Dish and DirecTV have cut deals like that to make some long-term investors.

MS. BERGOLD: Is there anything in the record to show that Dish and DirecTV give Tennis Channel greater distribution because of their equity interest?

MR. CARROLL: Oh, yes. At least three things. First, the fact that neither one of them would agree to give any carriage at all, while my client was, until Mr. Solomon

1	first made his equity for carriage proposal.
2	Second, Mr. Solomon, and this
3	started in the transcript at page, let me just
4	find this for you, 382 to 420 I had a great
5	weekend. You can tell here.
6	So for some 40 pages of the
7	transcript, Mr. Solomon tried to deny, in fact
8	he began by swearing that there was no equity
9	for carriage deal he did.
10	MS. BERGOLD: No, no. I
11	understand that there is your argument
12	about Mr. Solomon's position on equity for
13	carriage.
14	MR. CARROLL: But his notes, which
15	I basically impeached him with at the end,
16	make it clear that the way he is getting the
17	carriage, he wouldn't get the carriage except
18	for the equity he was giving them. He refers
19	to it as blood equity for your valuable real
20	estate.
21	MS. BERGOLD: But you can't I
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the carriage unless you pay money for it, 1 launch support, or giving a deal where you get 2 free air time? I mean, that is all part of 3 compensation package that the two 4 the 5 companies, the network and the distributor 6 agree with. There is nothing 7 MR. CARROLL: wrong with having done it. But when they go 8 9 to compare themselves to the offer they made in 2009, the so-called irresistible 10 11 offer, where was the launch support? 12 They didn't my client any launch was none. 13 support. They want my client to launch them 14 throughout America and not pay the launch 15 support that even Golf and Versus pays? 16 MS. BERGOLD: Yes, well they --17 MR. CARROLL: Remember, the record 18 there is hundreds of millions 19 dollars, this is in the record, that Golf and 20 Versus paid in launch support in order to get 21 that early distribution. 22

And remember Mr. Solomon testified 1 and Mr. Bond, this is one of the few things 2 3 they agreed on, Mr. Bond said, I need some financial incentive if you want me to think 4 5 seriously about doing this on some broader 6 basis. 7 MS. BERGOLD: Well, at least Mr. Solomon thought the financial incentive was a 8 9 reduced fee. MR. CARROLL: And I leave it to 10 11 you and His Honor to judge the credibility of 12 position he thought it his that was irresistible to come back with an offer that 13 14 was half as valuable as the offer he had made 15 about a year and a half before, when, by the of the 16 had three same way, he 17 tournaments. The record will show this notion 18 19 that he completely changed his network in the intervening year and a half, in 2007 before my 20 client made its decision on the MFN, 21 22 already had Wimbledon, French Open,

Australia. The only one out there was the U.S. Open. They also already had an obligation, if you look at the affiliation agreement, they had an obligation to give us HD. They make it sound like they were doing us this big favor in 2009 when they offered HD. They had a contractual obligation to give us HD. We already had that contractual right.

And I want to draw on that point for just a moment. The contractual right is a vital piece of this story. It has to do with leverage in the business negotiation. My client had, and we heard Mr. Solomon admit that when he came onboard in 2005, he changed their strategy and said no more sports tier deals. I don't want these deals. He admitted that. But my client already had one. And he admitted that my client has a right to a sports tier under the contract.

Now that sports tier is vitally important for the following reason. We already have the programming. They can't

threaten us the way they can threaten other carriers with not making the programming available if we don't agree to their terms.

We are in a stronger bargaining position.

I opened my examination of Mr. Solomon on this very issue. I opened my examination with him asking about the leverage This is the transcript at 337, is document. where it starts. One of the exhibits, and it had Mr. Solomon's handwritten notes on it, this is Exhibit 121. On the second page at the bottom, had this language which you will remember, "We are pursuing repositioning of Tennis Channel off of sports tiers when we do not have the leverage of an expiring deal." That language, right there, "we do not have the leverage of an expiring deal. We had some extensive conversations with Time Warner about that sort of thing this year. The short If they can answer is that it is not easy. carry the Tennis Channel in the sports tier, they would much rather do that than carry it

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1	in a digital basic tier." Now, this is this
2	thing written about not my client, but Time
3	Warner. I asked Mr. Solomon in the portion of
4	the transcript I referenced you to, "Was this
5	discrimination?" And he didn't answer it.
6	Your Honor had to instruct him to answer the
7	question. And he finally admitted, no, it is
8	not discrimination.
9	MS. BERGOLD: Well, it can't be
10	discrimination if
11	MR. CARROLL: It could be. I mean,
12	if it is not for them, why is it for me?
13	MS. BERGOLD: If there is no
14	affiliation, there can't be any disparate
15	treatment. Right?
16	MR. CARROLL: But if there is no
17	discrimination for Time Warner to do something
18	like that, if that is completely okay as an
19	independent business matter, why is my client
20	held to some different standard? My client is
21	exercising business rights that are just like
22	the rest of the marketplace is exercising.

This goes to my point about what 1 2 the law requires. Ιt requires doesn't require 3 nondiscrimination. Ιt Nondiscrimination means we can't equality. 4 treat them differently than Time 5 treated them. And you don't have to guess 6 about what a nondiscriminatory treatment would 7 This is what it means This proves it. 8 to be discriminated against, taking 9 not advantage of your sports tier rights in your 10 negotiations and trying to negotiate a better 11 12 deal. That is all my client did in this case. What my client is accused of and 13 they are asking you to basically convict him 14 of and impose forfeiture damages for this 15 horrific things, is they exercised their 16 business rights under a contract they signed 17 and now don't like that gave my client sports 18 19 tier rights. Now do you think 20 MS. BERGOLD: that, I mean there is no question that Comcast 21 is acting lawfully in terms of its, or within 22

1	the terms of its contract. Are you saying
2	that if it is lawful within the terms of the
3	contract, it is lawful under Section 616?
4	MR. CARROLL: No. I'm smiling
5	because no, I would never go that far.
6	MS. BERGOLD: No. I mean
7	MR. CARROLL: There would be a
8	limit but I know that I am not past the limit
9	when the marketplace is behaving exactly as I
10	am.
11	If I were doing something to them
12	that was out of line with the marketplace,
13	that would be evidence for you to look at and
14	go, maybe there is something else going on
15	here. But this is exactly what the market, I
16	am holding up for the record this Exhibit 121,
17	as an illustration of that.
18	And that is the power by the way,
19	there was a question that the Bench asked
20	during Mr. Schmidt's portion about are there
21	
	other MVPDs who are giving Tennis Channel

1	record I think at Exhibit 1103, is a
2	fascinating document because yes, there are
3	some that are giving greater. None are giving
4	as much as they are asking you to award them
5	now.
6	They are asking for an award of 85
7	percent distribution. The highest
8	distribution they have got
9	MS. BERGOLD: Is that really fair,
10	Mr. Carroll? Aren't they asking for parity
11	with Golf Channel and Versus? That if Golf
12	Channel and Versus were on the sports tier,
13	they would be happy to remain on the sports
14	tier.
15	MR. CARROLL: Do you really
16	believe they would be happy to remain on the
17	sports tier?
18	MS. BERGOLD: No but I mean, that
19	is what they
20	MR. CARROLL: Nobody believes
21	that.
22	MS. BERGOLD: Isn't that what they